

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 1/3/12

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services, requesting authorization to enter into a State/County Contract for Community Youth and Family Aids for 2012 and to accept \$33,260,076 for State Corrections Charges and Community Based Services

**FISCAL EFFECT:**

- |   |  |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input checked="" type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
|---|--|

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	Expenditure or Revenue Category	Current Year	Subsequent Year
<b>Operating Budget</b>	Expenditure		0
	Revenue	(789,447)	0
	Net Cost	(789,447)	0
<b>Capital Improvement Budget</b>	Expenditure		
	Revenue		
	Net Cost		

## DESCRIPTION OF FISCAL EFFECT

**In the space below, you must provide the following information. Attach additional pages if necessary.**

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Section 301.031 of the Wisconsin Statutes requires counties to execute an annual contract with the State Department of Corrections (DOC) for the "Community Youth and Family Aids Program." This program provides state funding for county services to juvenile offenders as mandated by state and/or federal law. County ordinances require that departments obtain authorization from the County Board in order to execute contracts. The Director, Department of Health and Human Services (DHHS), is therefore requesting authorization to sign the 2012 contract with the State DOC for the provision of juvenile justice services mandated by state law.

B. The 2012 Contract provides \$33,260,076, which is \$789,447 less revenue than budgeted in 2012 for Youth Aids revenue for State Charges and County community-based programs. DHHS will continue to update projections based on monthly State Juvenile Corrections Charges and bring a corrective action plan forward, if necessary, as soon as possible in 2012.

In December 2011, DHHS brought an information report to the Board regarding this potential Youth Aids revenue shortfall. Youth Aids revenue is primarily a direct result of the Average Daily Population (ADP) of Milwaukee County juveniles in State Juvenile Correctional Institutions (JCI's). DHHS will continue to monitor the ADP and make projections based on historical data to determine if the \$789,447 deficit can be absorbed within the department or if other actions are necessary. In consideration of the potential deficit, DHHS reduced the length of many purchase of service contracts in the Delinquency area for 2012 to best position the Department to respond to emerging challenges and the State revenue reductions.

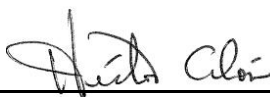
C. See Section B above

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

D. No assumptions. Data based on State contract.

Department/Prepared By Alex Kotze, DHHS Budget Manager

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No